

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1996-00	1997-01	1996-06
13. Additional worker classification items:															
a. Provide that if the taxpayer reclassifies independent contractors as employees, this change does not alter the application of the safe harbor for prior periods.....	pa 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[3]	[3]	[3]
b. Clarify "substantially similar position".....	pa 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[3]	[3]	[3]
Subtotal of Small Business Provisions.....		-25	-143	-264	-357	-436	-874	-1,053	-1,150	-1,107	-1,040	-978	-1,230	-2,079	-7,436
<i>Negligible Revenue Effect</i>															
B. Provisions Relating to S Corporations															
1. Increase number of eligible shareholders.....															
2. Permit certain trusts to hold stock in S corporations.....	tyba 12/31/96	---	-5	-14	-16	-20	-22	-25	-28	-31	-35	-39	-55	-77	-235
3. Extend holding period for certain trusts	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
4. Financial institutions permitted to hold safe-harbor debt.....	tyba 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
5. Authority to validate certain invalid elections.....	tyba 12/31/82 tyba 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
6. Allow interim closing of the books.....	tyba 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
7. Expand post-termination period and amend subchapter S audit procedures.....		---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
8. S corporations permitted to hold S or C subsidiaries.....	tyba 12/31/96	---	-5	-9	-11	-13	-15	-17	-20	-23	-26	-29	-38	-53	-168
9. Treatment of distributions during loss years.....	tyba 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
10. Treatment of S corporations as shareholders in C corporations.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
11. Elimination of certain earnings and profits of S corporations.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
12. Treatment of certain losses carried over under at-risk rules.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
13. Adjustments to basis of inherited S stock.....	dda DOE	---	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]
14. Treatment of certain real estate held by an S corporation.....	tyba 12/31/96	---	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	-6	-8	-18
15. Transition rule for elections after termination.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
16. Treat financial institutions that do not use the reserve method as eligible corporations.....	tyba 12/31/96	---	-1	-3	-5	-6	-8	-10	-12	-14	-15	-16	-15	-23	-90
17. Permit tax-exempts to be subchapter S shareholders with UBTI inclusion and ESOP benefit restriction.....	tyba 12/31/97	---	---	-3	-9	-11	-13	-15	-17	-19	21	-23	-23	-36	-131
18. Interaction of subchapter S changes.....	---	---	-3	-26	-32	-37	-38	-39	-40	-40	40	-40	98	-136	-335
Subtotal of Provisions Relating to S Corporations.....		---	-32	-73	-92	-106	-115	-125	-136	-147	-157	-167	-303	-418	-1,154
II. Pension Simplification Provisions															
A. Simplified Distribution Rules															
1. Repeal of 5-year income averaging for lump-sum distributions.....															
tyba 12/31/99	---	74	77	108	78	70	44	17	15	---	---	337	407	483	

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1996-00	1997-01	1996-06
2. Repeal of \$5,000 exclusion of employees' death benefits.....	dda DOE	---	28	49	52	54	55	55	56	57	57	58	183	238	521
3. Simplified method for taxing annuity distributions under certain employer plans.....	asda 90 da DOE	---	22	28	28	29	29	29	30	30	31	31	107	136	287
4. Minimum required distributions.....	yba 12/31/96	---	-1	-4	-4	-4	-4	-4	-4	-4	-4	-4	-13	-17	-37
B. Increased Access to Retirement Savings Plans -															
1. Establish SIMPLE pension plan as modified, but repeal salary reduction SEPs.....	yba 12/31/96	---	-50	-76	-79	-81	-84	-87	-91	-94	-97	-101	-286	-370	-840
2. Tax-exempt organizations eligible under section 401(k).....	yba 12/31/96	---	-8	-22	-24	-25	-26	-28	-29	-30	-31	-31	-79	-105	-254
3. Increase availability of spousal IRAs.....	yba 12/31/96	---	-57	-168	-184	-195	-206	-219	-233	-248	-264	-281	-604	-810	-2,055
C. Nondiscrimination Provisions															
1. Simplified definition of highly compensated employees [8].....	yba 12/31/96	---	[9]	[9]	----- Considered in Other Provisions -----										
2. Repeal of family aggregation rules [8].....	yba 12/31/96	---	[10]	[10]	----- Considered in Other Provisions -----										
3. Modification of additional participation requirements.....	yba 12/31/96	----- Negligible Revenue Effect -----													
4. Safe-harbor nondiscrimination rules for qualified cash or deferred arrangements and matching contributions [11].....	yba 12/31/98	---	---	---	-39	-155	-160	-164	-169	-174	-179	-184	-194	-354	-1,224
5. Definition of compensation for section 415 purposes.....	yba 12/31/97	---	---	-1	-1	-2	-2	-2	-2	-2	-3	-3	-4	-6	-18
D. Miscellaneous Provisions															
1. Plans covering self-employed individuals.....	yba 12/31/96	----- Negligible Revenue Effect -----													
2. Elimination of special vesting rule for multiemployer plans.....	yba 12/31/96	---	[2]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-3	-4	-9
3. Distributions under rural cooperative plans.....	DOE	----- Negligible Revenue Effect -----													
4. Treatment of governmental plans under section 415.....	yba 12/31/94	----- Negligible Revenue Effect -----													
5. Uniform retirement age [8].....	yba 12/31/96	---	[10]	[10]	----- Considered in Other Provisions -----										
6. Contributions on behalf of disabled employees.....	yba 12/31/96	----- Negligible Revenue Effect -----													
7. Treatment of deferred compensation plans of State and local governments and tax-exempt organizations.....	tyba 12/31/96	---	[2]	-1	-1	-1	-2	-2	-2	-2	-2	-2	-3	-5	-15
8. Require section 457 plan assets to be held in trust.....	DOE	---	-7	-21	-24	-25	-25	-26	-27	-28	-29	-30	-77	-102	-242
9. Correction of GATT interest and mortality rate provisions in the Retirement Protection Act.....	[12]	---	-4	-4	-4	---	---	---	---	---	---	---	-12	-12	-12
10. Multiple salary reduction agreements permitted under section 403(b).....	tyba 12/31/95	----- Negligible Revenue Effect -----													
11. Application of elective deferral limit to section 403(b) plans.....	tyba 12/31/95	----- Negligible Revenue Effect -----													
12. Treatment of Indian tribal governments under section 403(b).....	cpbo/a 12/31/96	----- Negligible Revenue Effect -----													
13. Allow waiver of 30-day waiting period for qualified plan distributions.....	pyba 12/31/96	----- Negligible Revenue Effect -----													
14. Repeal of combined plan limit.....	lyba 12/31/99	---	---	---	---	-72	-195	-201	-207	-213	-219	-226	-72	-267	-1,333

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1996-00	1997-01	1996-06
15. 3-year waiver of excess distribution tax.....	1/1/97	---	42	44	47	32	---	---	---	---	---	---	165	165	165
16. Increase section 4975 excise tax on prohibited transactions from 5% to 10%.....	ptoa DOE	---	2	4	4	4	4	4	4	4	4	4	14	18	38
17. Treatment of leased employees.....	yba 12/31/96	----- Negligible Revenue Effect -----													
18. Uniform penalty provision to apply to certain pension reporting requirements.....	1/1/97	----- No Revenue Effect -----													
19. Clarify that SECA does not apply to certain parsonage allowance income.....	ybbo/a 12/31/94	----- Negligible Revenue Effect -----													
20. Direct IRS to develop model forms for qualified domestic relations orders ("QDRO") and spousal consent provisions.....	DOE	----- Negligible Revenue Effect -----													
21. Date of adoption of plan amendments.....	DOE	----- No Revenue Effect -----													
22. Permit volunteer firefighters to make deferrals under section 457 (limited to \$3,000 per year).....	do/a 1/1/97	---	-2	-5	-7	-9	-11	-13	-16	-18	-20	-23	-23	-34	-124
23. Drop provision eliminating waiting period after pension election.....	1/1/97	----- Negligible Revenue Effect -----													
24. PBGC missing participant program [13].....	afri	----- Negligible Revenue Effect -----													
25. Alternative nondiscrimination rules for certain plans that provide for early participation.....	1/1/99	---	---	---	-6	-17	-18	-19	-19	-20	-20	-20	-23	-41	-139
26. Allow election of 66.67% joint and survivor annuity benefits.....	pama 12/31/96	----- Negligible Revenue Effect -----													
27. Increase in multiemployer plan benefits guaranteed [13].....	[15]	---	-2	-3	-3	-3	-3	-3	-3	-13	-13	-14	-11	-14	-60
28. Grant IRS the discretion to waive pension liquidity shortfall excise tax.....	[12]	---	-4	-3	-2	-1	[2]	[2]	[2]	[2]	[2]	[2]	-11	-11	-11
29. Clarify definition of plan assets.....	1/1/75	----- Negligible Revenue Effect -----													
30. Church pension plan simplification:															
a. Allow pension plan coverage for self-employed clergy.....	yba 12/31/96	----- Negligible Revenue Effect -----													
b. Allow church pension plans to use the new definition of highly compensated employee in the bill - Treasury safe harbor.....	yba 12/31/96	----- Negligible Revenue Effect -----													
c. Allow payroll deduction of pension contributions for clergy on foreign missions.....	tyba 12/31/96	----- Negligible Revenue Effect -----													
31. Survivor protection for surviving and former spouses of former Federal employees [13].....	1/1/97	---	---	1	1	1	[14]	[14]	[14]	[14]	[14]	[14]	3	3	3
32. Treatment of multiemployer plans under section 415.....	yba 12/31/96	---	-1	-3	-3	-3	-4	-4	-4	4	5	5	-10	-14	-36
Subtotal of Pension Simplification Provisions.....		---	27	-114	-142	-396	-583	-641	-700	-745	-795	-832	-616	-1,199	-4,912
III. Extension of Certain Expiring Provisions															
1. Extend the work opportunity tax credit, with modifications through 9/30/97 [16].....	10/1/96	---	-117	-143	-83	-33	-12	2	---	---	---	---	376	388	390

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1996-00	1997-01	1996-06
2. Employer-provided educational assistance; sunset after 12/31/97.....	1/1/95	-136	-1,001	-307	---	---	---	---	---	---	---	---	-1,444	-1,308	-1,444
3. R&E credit, with modifications through 12/31/97.....	7/1/96	---	-1,279	-811	-373	-265	-159	-40	---	---	---	---	-2,728	-2,887	-2,927
4. Orphan drug tax credit through 12/31/97 with section 39 benefits.....	7/1/96	-3	-21	-14	-2	-1	-1	-1	-1	[2]	[2]	[2]	-41	-39	-44
5. Contribution of appreciated stock to private foundations through 12/31/97.....	7/1/96	-7	-134	-21	-7	---	---	---	---	---	---	---	-169	-162	-169
6. Extend section 29 binding contract date to 6 months after date of enactment and placed-in-service date to 12/31/98 for biomass and coal.....	DOE	---	-8	-27	-63	-86	-84	-77	-75	-77	-79	-81	-184	-268	-657
7. Suspend excise tax on motorboat diesel through 12/31/97.....	DOE + 7 days	-4	-34	-9	---	---	---	---	---	---	---	---	-47	-43	-47
8. Extend publicly-traded partnership grandfather through 12/31/99.....	tyba 12/31/97	---	---	-7	-23	-17	---	---	---	---	---	---	-47	-47	-47
Subtotal of Certain Expiring Provisions.....		-150	-2,594	-1,339	-551	-402	-256	-120	-76	-77	-79	-81	-5,036	-5,142	-5,725
IV. Revenue Offsets															
1. Possessions tax credit: Wage credit companies - 6 years of present law, thereafter subject to income cap and, after 10 years, wage credit percentage lowered to 40%; Income companies - 2 years of present law followed by 8 years subject to income cap; QPSII - repealed later of taxable years beginning after 12/31/95 or earnings after 6/30/96.....	tyba 12/31/95	190	595	540	530	475	500	685	1,075	1,295	1,555	2,175	2,330	2,640	9,615
2. Repeal 50% interest income exclusion for financial institution loans to ESOPs [17].....	lma DOE	10	64	105	144	182	220	256	292	327	360	327	505	715	2,287
3. Provide that punitive damages are not excludable from income.....	ara 6/30/96	---	5	7	7	7	8	8	8	8	8	8	26	34	74
4. Provide for flow through treatment for Financial Asset Securitization Investment Trusts (FASITs).....	DOE	---	85	45	7	-3	-8	-13	-18	-24	-30	-37	134	126	4
5. Phase out and extend luxury automobile excise tax through 12/31/02.....	so/a DOE + 7 days	-4	-56	-105	-132	124	183	140	32	---	---	---	-173	14	182
6. Modify two county tax-exempt bond rule for local furnishers of electricity or gas; prohibit new local furnishers (with current service areas grandfathered).....	DOE	---	[18]	5	1	-1	3	4	8	16	22	24	5	8	82
7. Eliminate interest allocation exception for certain nonfinancial corporations.....	tyba 12/31/95	35	99	107	123	141	163	187	201	215	228	242	505	633	1,741
8. Reinstate Airport and Airway Trust Fund excise taxes through 4/15/97, with exemption for fixed-wing emergency medical aircraft, and mining, oil, and gas industry helicopters for flights not using FAA services.....	tp7data DOE	28	2,871	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	2,899	2,871	2,899

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1996-00	1997-01	1996-06
9. Tax-free treatment of contributions in aid of construction for water utilities; change depreciation for water utilities.....	[19]	---	-21	-9	-3	11	24	35	45	55	64	73	-22	2	274
10. Revision of expatriation tax rules - add estate tax provision with no treaty override.....	2/6/95	23	49	79	117	162	205	234	261	287	308	326	430	612	2,051
Subtotal of Revenue Offsets.....		282	3,691	774	794	1,098	1,298	1,536	1,904	2,179	2,515	3,138	6,639	7,655	19,209
V. Technical Corrections.....		14	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	14	[3]	14
SUBTOTAL OF PARTS I., II., III., IV., AND V.		121	949	-1,016	-348	-242	-530	-403	-158	103	444	1,080	-532	-1,183	-4
VI. Other Provisions															
A. Miscellaneous Provisions															
1. Exempt from diesel dyeing requirement any States exempt from Clean Air Act dyeing requirement.....	fcqa DOE	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-5	-10
2. Application of common paymaster rules to certain agency accounts at State universities [20].....	rpa 12/31/96	---	[21]	[21]	[21]	[21]	[21]	[21]	[21]	[21]	[21]	[21]	[21]	[21]	[21]
3. Exempt imported recycled halons from ozone-depleting chemicals tax.....	cia 12/31/96	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-5	-10
4. Authorize tax-exempt bonds for purchase of Alaska Power Authority.....	bia DOE	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-5	-10
5. Allow for tax-free conversion of common trust funds to mutual funds.....	ta 12/31/95	-4	-9	-8	-8	-8	-8	-8	-9	-9	-9	-9	-37	-41	-89
6. Clarify that State prepaid tuition plans are tax-exempt entities; clarify OID rules.....	tyba 12/31/95	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
7. Suspend excise tax on ozone depleting chemicals used in metered dose inhalers.....	DOE + 7 days	---	-12	-8	-8	-2	---	---	---	---	---	---	-30	-30	-30
8. Allow certain teaching hospitals to provide tax-free housing to medical faculty.....	1/1/97	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Subtotal of Miscellaneous Provisions.....		-4	-24	-19	-19	-13	-11	-11	-12	-12	-12	-12	-79	-86	-149
B. Additional Revenue Offsets															
1. Modify basis adjustment rules under section 1033.....	ica DOE	---	1	5	9	14	20	29	37	46	56	64	29	49	281
2. Repeal exemption for withholding on gambling winnings from bingo and keno where proceeds exceed \$5,000.....	DOE + 30 days	1	12	6	6	6	7	7	7	7	8	8	31	37	75
3. Treatment of certain insurance on retired lives.....	tyba 12/31/95	---	2	1	-2	5	2	[2]	10	5	2	-3	6	8	12
4. Permit scholarship funding corporation to convert to taxable corporation.....	1/1/97	---	3	6	8	10	10	9	7	6	5	4	27	37	68

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1996-00	1997-01	1996-06
5. Personal exemption deduction and dependent care credit disallowed without taxpayer identification number.....	rd 30 da DOE	---	133	272	262	249	242	234	226	217	209	201	916	1,158	2,245
Subtotal of Additional Revenue Offsets.....		1	151	290	283	284	281	279	287	271	280	274	1,009	1,289	2,681
SUBTOTAL OF PART VI.....		-3	127	271	264	271	270	268	275	259	268	262	930	1,203	2,532
NET TOTAL OF REVENUE PROVISIONS.....		118	1,076	-745	-84	29	-260	-135	117	362	712	1,342	398	20	2,528

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.
Enactment date is assumed to be August 1, 1996.

Legend for "Effective" column:

ara = amounts received after	pa = periods after
afri = after final regulations issued	ppiso/a/b = property placed in service on, after, or before
asda = annuity starting date after	prao/a = plans receiving assistance on or after
bia = bonds issued after	ptoa = prohibited transactions occurring after
cia = chemicals imported after	pyba = plan years beginning after
cpbo/a = contracts purchased before, on, or after	rd 30 da = returns due 30 days after
dda = decedents dying after	rpa = remuneration paid after
DDA = disasters declared after	so/a = sales on or after
do/a = deferrals on or after	spa = services performed after
DOE = date of enactment	ta = transfers after
fcqa = first calendar quarter after	tyba = taxable years beginning after
ica DOE = involuntary conversions after date of enactment	tp7data DOE = tickets purchased 7 days after date of enactment for travel 7 days after date of enactment
lida = leasehold improvements disposed of after	yba = years beginning after
lma = loans made after	ybbo/a = years beginning before, on, or after
lyba = limitation years beginning after	90 da DOE = 90 days after date of enactment
pama = plan amendments made after	

- [1] Effective as if included in the Omnibus Reconciliation Act of 1993.
[2] Loss of less than \$500,000.
[3] Loss of less than \$5 million.
[4] Loss of less than \$15 million.
[5] Loss of less than \$20 million.
[6] Loss of less than \$30 million.
[7] Gain of less than \$1 million.
[8] Revenue effect after 1/1/99 included in the revenue estimate for the safe harbor provision due to interactions between this provision and Item II.C.4.
[9] Loss of less than \$10 million.
[10] Negligible revenue effect.
[11] This provision considers interaction effects of SIMPLE retirement plan provisions (Items II.C.1, II.C.2, and II.D.5)
[12] Effective as if included in the General Agreement on Tariffs and Trade of 1994.
[13] Estimate provided by the Congressional Budget Office. Negative numbers indicate that Federal outlays will increase.
[14] Negligible outlay cost.
[15] Effective for plans that did not receive assistance payments prior to the date of enactment.
[16] Credit rate at 35% on first \$6,000 of income; eligible workers expanded to include welfare cash recipients, veteran foodstamp recipients, and 18 - 24 year olds living in a household receiving food stamps for a period of at least 3 months on the date of hire without pre-certification; 375 hour work requirement; 21 day certification requirement.
[17] The repeal would not apply to loans made pursuant to a binding contract entered into before 6/10/96.
[18] Gain of less than \$500,000.
[19] Effective for amounts received after 6/12/96 and property placed in service after 6/12/96 with the exception of certain property subject to a binding contract before 6/10/96.
[20] Estimates provided by the Congressional Budget Office.
[21] Loss of less than \$1 million.